# GOVERNMENT OF INDIA
# AGRICULTURE AND FARMERS WELFARE
# LOK SABHA

UNSTARRED QUESTION NO:2711
ANSWERED ON:10.05.2016
Decline in Onion Prices
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**Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:**

(a) whether prices of onion have declined drastically in the markets even to 30 paisa per kilo which compelled the farmers to throw away their produce, if so, the details thereof alongwith the reasons therefor;

(b) whether the Government proposes to procure onion from the farmers directly to ensure better price to the farmers and supply of onion at affordable price during the lean season, if so, the details thereof;

(c) whether the Government also proposes to allow export of onion for better price realisation, if so, the details thereof;

(d) the steps taken by the Government to regulate onion market to avoid/prevent steep fluctuation in onion prices; and

(e) the various other steps taken by the Government to provide remunerative price for onion in order to save farmers from the burden of debt?

## Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a): Prices of onion vary by variety, grade and location of market. The average modal prices from mid April to 1st week of May, 2016 are around Rs.900/qtls in U.P., Rs.600-800/qtls in Rajasthan, Rs.800/qtls in Punjab, Rs.500-600/qtls in Karnataka, Rs.450-550/qtls in Gujarat, Rs.300-500/qtls in M.P., Rs.650-800/qtls in Maharashtra, Rs.360-500/qtls in A.P. and Rs.1000/qtls in Bihar.

(b): Government is procuring onion through Small Farmers Agri-Business Consortium (SFAC) and National Agricultural Cooperative Federation of India (NAFED) under Price

Contdâ€¦.2/-



Stabilization Fund (PSF), directly from farmers, to build a buffer stock for supply during the lean season.

(c): There is no restriction on export of onion.

(d) & (e): Government is implementing the Market Intervention Scheme (MIS) for procurement of agricultural and horticultural commodities including onion, which are generally perishable in nature. The basic objective of MIS is to protect the growers of these commodities from making distress sale in the event of a bumper crop during the peak arrival period when the prices tend to fall below economic levels and cost of production. The MIS is implemented on the specific request of the State Government/UT Administration willing to share loss with the Central Government on 50:50 basis (75:25 in case of North Eastern States).

In addition, Government has taken steps toward market reform for agricultural produce. States/UTs have been advised to amend their respective State APMC Acts. Government has launched the e-National Agricultural Market (eNAM) a pilot project on e-trading platform for the National Agricultural Market in 21 mandis from 8 states for 25 commodities, including onion to ensure better price discovery for agriculture produce.

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